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OCI No. 0520/63

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 9 April 1963

## CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Orientation of the Burmese Government

- 1. The totalitarian aspects of the year-old Ne Win regime have generated considerable discontent and fear among the Burmese populace. The Revolutionary Government as a result has lately been trying to play down these aspects, and Ne Win has specifically disclaimed that his socialist program is Communist.
- 2. The socialist goals of Ne Win actually differ little from those of all political leaders since Burmese independence. However, the addition of Communist slogans and methodology, and emphasis on the establishment of an all-powerful Burmese Socialist Program Party (BSPP) have alienated most of the country's civilian political leaders. The resignation of the able and moderate Brigadier Aung Gyi from the government last February increased the influence of leftist advisers on Ne Win and was followed by an acceleration of the pace of nationalization.
- 3. Popular resistance to this crash program to bring the economy under government control—particularly the implementation of controls on the rice trade—apparently has given Ne Win some pause. His new caution is illustrated by the announcement on 1 April of a general amnesty for non-political offenders for the stated purpose of forging greater national unity. Moreover, he continues to tolerate the existence of civilian political parties, although previously he had intended to suppress them entirely in favor of the BSPP.

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- 4. Ne Win, however, still aspires to a single national party; this goal was a major topic at a recently concluded military officers' conference in Rangoon. A large-scale recruitment campaign for the BSPP among civil servants and the military has failed, however, because these elements reacted unfavorably to Ne Win's reliance on pro-Communist advisers and the party's typical Communist features. Ne Win used the military officers' conference to lecture on the "Burmese" character of the BSPP, and denied that he had any leanings toward Communism. In attempting to override concern expressed by some army officers over the government's trend to the left, Ne Win warned that disunity would only play into the hands of external enemies of Burma.
- 5. Ne Win has made no formal change in Burma's traditional policy of neutrality and nonalignment. His suspicious nature and xenophobia, nevertheless, have contributed to reserve in acceptance of external aid and have resulted in cancellation of foreign development contracts not on an intergovernmental basis. US aid to Burma has always been limited as to amount and purpose. Burma, however, does purchase some military equipment from the US and the US is participating in the Rangoon-Mandalay highway project.